

**GOVERNMENT OF INDIA
PANCHAYATI RAJ
LOK SABHA**

UNSTARRED QUESTION NO:34

ANSWERED ON:22.11.2006

DECENTRALIZATION OF POWER

Adhalrao Patil Shri Shivaji;Verma Shri Ravi Prakash

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) whether the Union Government and State Governments have entered into an agreement envisaging consistent support from the Centre for decentralization of power;
- (b) if so, the details thereof;
- (c) whether the Union Government in association with the National Rural Business Hub Council would promote and support the State's efforts to develop Rural Business Hubs;
- (d) if so, the details thereof; and
- (e) the number of Rural Business Hubs developed so far in each State?

Answer

MINISTER OF STATE IN THE MINISTRY OF PANCHAYATI RAJ [SHRI MANI SHANKAR AIYAR]

(a): Yes, Sir.

(b): On the conclusion of Panchayati Raj tours by the Union Minister to the State/UT concerned, Memorandum of Understanding (MoU) generally titled 'Joint Statement of Conclusions on Devolution to Panchayats – The Way Forward' have been signed between the Union Government and 16 State and One Union Territory. These documents reviewed the existing position of Panchayati Raj in the State/UT; list the undertaking of the State Government/UT administration to further strengthen Panchayati Raj; and envisage support from the Centre for the decentralization of power. The States which have entered into MoUs with the Union Government are:- Andhra Pradesh, Arunachal Pradesh, Assam, Chhatisgarh, Goa, Haryana, Himachal Pradesh, Karnataka, Kerala, Manipur, Orissa, Punjab, Rajasthan, Sikkim, Uttaranchal and West Bengal. The Union Territory which has entered into MoU is Lakshadweep.

(c) & (d): The Union Government, in association with the Confederation of Indian Industry (CII), has set up the National Rural Business Hub (RBH) Council promotes and supports the State's efforts to develop RBHs under the Public-Private-Panchayat- Partnership model. RBH Councils are also being set up in the States. RBH Conferences for creating awareness have been organized in Assam, West Bengal, Delhi and Hyderabad and more are in the pipeline. The Union Government will facilitate RBHs that are anticipated to combine skills and resources available at local community level with the production and marketing skills of business enterprises in order to expand the markets of rural/local products leading to additional incomes and employment to local craftsmen, weavers, farmers Self Help Groups etc.

(e): 55 RBH MoUs have been signed so far. The state-wise break-up is as follows: Karnataka – 27, Tamil Nadu – 13, Uttaranchal – 11, Haryana – 3, and Uttar Pradesh – 1.